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Chapter 8

Dynamic dictators: Elite cohesion and authoritarian resilience in China

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Dynamic dictators

Elite cohesion and authoritarian resilience in China

Elina Sinkkonen

Authoritarian resilience

There is a need to improve concepts and research frameworks on authoritarianism and authoritarian resilience. Democratization used to be the dominant trend from the 1980s until roughly 2007, which drove scholars to study regime changes, leaving stable authoritarian regimes poorly studied (Freedom House 2019; Geddes et al. 2018). Yet authoritarian resilience should be puzzling if we assume that lack of electoral representation significantly weakens regime legitimacy. Dickson argued in 2016 that ‘much of the recent literature on the survival of authoritarian regimes has limited applicability to China’ (Dickson 2016: 5).

Currently the number of liberal democracies is in decline and the third wave of autocratization is here, creating new interest in authoritarian practices (Lührmann & Lindberg 2019). Autocratization does not happen only in democracies, although such processes have recently received most attention. Autocratization also takes place in already authoritarian countries. In order to form a comprehensive understanding of quality of governance globally, it is important to better conceptualize and study deepening authoritarianism in authoritarian regimes and how variation in authoritarian practices may be related to authoritarian resilience.

This chapter aims to demonstrate with Chinese empirical examples that authoritarian regimes are not static. On the contrary, it is precisely the adjustments dictatorships make all the time that keep these regimes in power. To paraphrase Acemoglu and Robinson (2019), authoritarian governance takes place in a narrow corridor. Staying in that narrow corridor requires a right balance of control: There has to be enough control to avoid revolutions and coup attempts, but not too much control which might prevent economic activities. Balance maintenance entails a red queen effect, meaning pressure to adapt faster to changing conditions. Democratization is only one alternative for a particular type of authoritarian rule, as a party-based authoritarian system can become a military junta for example, or an authoritarian regime might simply change their top leaders. Regime stability, be it democratic or autocratic, signifies that the leadership has at least for the time being found a political equilibrium.

To make authoritarian dynamism visible, the starting point of research should be factors that tend to vary among authoritarian regimes, meaning that authoritarianism

should not be approached only as lack of democratic traits. If we wish to understand authoritarian resilience, we need to give up the idea that we could meaningfully place all regimes on a one-dimensional continuum, with democratic governments in the one end and authoritarian governments in the other end. Analytic tools developed for studying democracies are not sufficient to account for the variance of governance relevant variables in authoritarian regimes.

New research provides partial responses to three gaps on the research agenda of authoritarian regimes. First, we should embrace equifinality and focus on the combination of causes and their interactions rather than effects of individual causes when studying authoritarian resilience. In this respect, research conducted by Geddes, Wright, and Frantz (2018) provides the so far most ambitious explanation of authoritarian resilience. Geddes et al. (2018) acknowledge that factors affecting authoritarian resilience are likely to involve interacting causal variables that are not independent of each other.

Second, Geddes et al.'s research findings help to understand ways in which economic factors affect different types of authoritarian regimes and their resilience. Empirical evidence shows that the relationship between wealth and regime type is not simple. As the level of development rises, authoritarian regimes, like democratic ones, become more stable (Geddes 2003: 83). Londregan and Poole (1990) have found that the best predictor of coups in all regimes is poverty. By studying the effects of economic downturns in combination with regime types, Geddes et al. (2018: 190) conclude that economic downturns increase likelihood of collapse in dictatorships that lack extensive party networks. Put the other way around, extensive party networks stabilize authoritarian regimes even when the regime is faced with economic crises.

Furthermore, existing comparative research analyzing the economic origins of regime types tends to attach only positive attributions to economic growth acquired via industrial activities and innovations, and reserve the innovative and industrious growth model to Western democracies. Yet, as Zuboff (2015) argues, data has become a new form of capital and authoritarian regimes may have a comparative advantage in extracting large amounts of it; therefore, our understanding of authoritarian toolkits needs to be updated. Digital revolution and digital capitalism bring with them transnational elements which will transform politics in democracies and autocracies alike.

Third, Geddes et al.'s (2018) research sheds light on the connection between authoritarian resilience and the increase in authoritarian governance practices. Their findings help to clarify that stabilizing factors are regime dependent and deepening authoritarianism does not automatically increase regime resilience. Geddes et al. (2018: 85) report that dictators who score high on personalism scale during their first three years in office are much more likely to stay in power than dictators with low early personalism scores. Yet their overall finding is that personalization decreases regime durability in party-based regimes, while it increases regime durability in military-based regimes (Geddes et al. 2018: 198). In other words, leaders of party-based regimes would increase their chances of staying in power if they would share power after having made it through the difficult regime consolidation phase, which in China often takes a few years. During this consolidation phase, the new regime is especially vulnerable to elite struggles, which increases the likelihood that the regime will resort to their repressive toolkit (Zheng 2010: 71–97).

In literature concentrating solely on China, the relationship of power concentration and regime durability is hotly debated. Researchers disagree whether increased power concentration is a sign of regime strength or weakness. In 2003 Nathan argued that the CCP demonstrated important signs of institutionalization as the leadership managed to create peaceful,

timely and stable leadership succession when Hu Jintao became the general secretary of the CCP in November 2002. Others who have found significant evidence of system adaptability include Yang (2004) and Shambaugh (2008).

For Nathan (2003), gradual institutionalization has contributed to regime resilience in China. Nathan's position would align with Geddes et al.'s (2018) finding that power-sharing would be a wise strategy in party-based regimes. Later, Fewsmith and Nathan (2019) argued that party institutionalization has been 'considerably overstated'. For Fewsmith, the authoritarian model has proven resilient due to a return to a hierarchical model in which the execution of rules is personalistic on all levels and the leadership avoids giving too much power to the bureaucracy, not because of institutionalization. While Fewsmith's stance would seem to be in contradiction with the above-mentioned general finding of Geddes et al. we might have to conclude that the jury is still out to decide whose description is more accurate. If we take into account that in social sciences it is not often possible to find general laws holding despite changing historical circumstances, it may be that both Nathan and Fewsmith are partly right. The dataset Geddes et al. (2018) used in their study ends in the year 2010, which is unfortunate given that in many countries' authoritarian tendencies have intensified since then. Yet, despite China's deepened autocratization, CCP is still in power and there are no signs of any credible resistance to its rule. There is recent empirical evidence to support Fewsmith's position, which finds the source of resilience in increased control and personalism. Kendall-Taylor, Frantz, and Wright (2020) state that popular protests have become a more significant challenge to authoritarian regimes between 2001 and 2017. Consequently, the relative weight in effective strategies of political survival might have shifted to societal factors, and keeping the elite satisfied by power-sharing has perhaps lost some of its relevance. If the Chinese regime has studied these same trends, they may have changed their tactics and improved the likelihood of remaining in power. In order to better understand the changes that have taken place in China since 2010, it is useful to delve deeper into different aspects of power concentration.

Measuring power concentration

Understanding variation in key sectors of authoritarian rule will help in answering to the puzzling question of what explains authoritarian resilience and how the regime might find political equilibrium.

There is a great deal of variation in the level and style of authoritarianism between the Jiang Zemin (1989–2002), Hu (2002–2012) and Xi (2012–) regimes. Shambaugh (2016) divides Chinese regimes since 1985 into four types of authoritarianism ranging from neotalitarian to softly authoritarian. The so-called fang-shou cycle (放收周期) of political opening and tightening characterizes Chinese politics (Shambaugh 2016: 98). On a very general level, trends of authoritarian control in China suggest that after the Tiananmen Incident (1989) domestic control increased and started to gradually get lighter again after 1992. The Hu regime preceding Xi was generally characterized as much more consultative than earlier regimes and repression was less visible on the societal level. Hu experimented cautiously with a more consultative approach by promoting intraparty democracy and expanding the number of official actors influencing leadership decisions on foreign policy, which as a policy area has been strictly restricted (Jakobson & Knox 2010; Shirk 2018: 32; Sinkkonen 2014). During the Xi regime China has returned to harsher control with clear concentration tendencies of political rule (Shirk 2018).

While it is useful to grasp the overall trend of authoritarianism in China over the years, we need to delve deeper into characteristics of authoritarian governance if we wish to improve our understanding of how political equilibrium enabling authoritarian resilience might be found. As the first step towards forming such an understanding, elements of authoritarian governance have to be described in detail and measured if possible. Aspects of authoritarian rule that tend to vary according to scholars of authoritarian regimes include power concentration within the elite and domestic repression (Geddes 2003; Geddes et al. 2018; Lührmann and Lindberg 2019; Slovik 2012). Deepening autocratization would thus be a process of increasing either power concentration or domestic repression or both.

Figure 8.1 summarizes measures authoritarian leaders can take with regards to elites and the wider society. It is notable that there can simultaneously be policies increasing and decreasing autocratization, meaning that not all aspects that can vary will necessarily move in the same direction at the same time. On the elite level, authoritarian leadership can increase or decrease power concentration, which can be measured with personalization, administrative centralization, and state control over economic assets. Some scholars of authoritarian regimes have defined cooptation as one tool to maintain authoritarian stability (Gerschewski 2013; Schmotz 2015; Svolik 2012). In what is discussed below, parts of the often used cooptation measures are included in the personalization index (security apparatus), administrative centralization, and state control over economic assets (capital, labor, and land ownership). As the role of the economy in regime maintenance is broader than buying off powerful groups, it is not enough to talk about cooptation.

On the societal level, authoritarian leadership can increase or decrease repression. Repression is costly and increasing repression risks angering apolitical people (Dickson et al. 2017). This is why nondemocratic regimes try to build regime legitimacy and to have

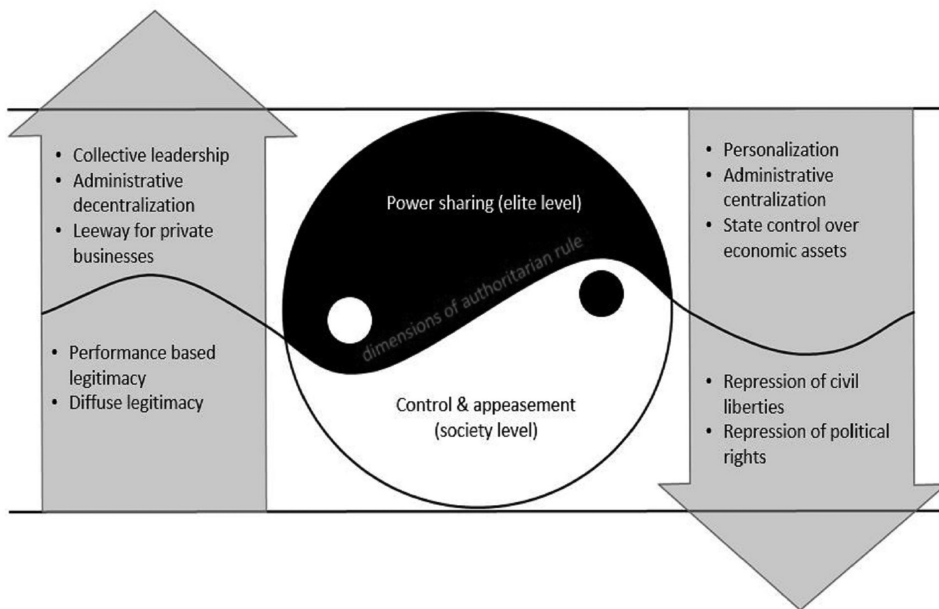


Figure 8.1 Dimensions of authoritarian rule and autocratization.

active consent, rule obedience or sometimes mere toleration for their rule within the population (Gerschewski 2013: 14; Maerz 2020). Leaders can increase public support by building legitimacy through measures enhancing in-group coherence and applying welfare policies.

This chapter concentrates on power concentration on the elite level. I will present below three areas of power concentration which are relevant in the Chinese case and likely to be applicable to also other authoritarian contexts: personalization, administrative centralization, and state control over key economic assets.

Personalization

A dictator wants the minimum support needed to survive, but no more, as he has to compensate support either by sharing power or giving out resources (Geddes et al. 2018: 78; de Mesquita et al. 2003: 100). Thus, he has incentives to concentrate power in his own hands as much as possible. While personalization can sometimes refer to building of a personality cult of some sort, here personalization signifies measurable features of power concentration. Geddes et al.'s (2018: 79–80) measurement for personalization includes:

dictator's personal control of the security apparatus, creation of loyalist paramilitary forces, dictator's control of the composition of the party executive committee, the party executive committee behaving as a rubber stamp, dictator's personal control of appointments, dictator's creation of a new party to support the regime, dictator's control of military promotions, and dictator's purges of officers.

In their research, Geddes et al. calculate a yearly personalism score for each regime making it possible to show variation during a single dictator's tenure. Before this, 'personalization has never been so carefully and consistently measured across regimes and across time' (Pepinsky 2019).

Drawing from Geddes et al.'s definition above, I discuss personalism in China from the perspective of institutional arrangements in existing institutions, innovation of new institutions, and purges of opponents. In the party-state system, the most powerful position, general secretary of the Communist Party of China, is accompanied by the state presidency and Central Military Commission (CMC) chairmanship (Wang 2017: 5). A new leader's power position in China can be assessed in part based on when they are named as chairman of the CMC (Miller 2014: 9; Nathan 2003), as that does not always happen at the same time as assuming the other two positions. Xi was able to get all top positions at once in comparison to his predecessors Hu and Jiang, who both had to wait for the CMC chairmanship. Composition and size of the Politburo Standing Committee can also offer clues on the number of supporters a leader has managed to promote there. In 2002, the size of Politburo Standing Committee was expanded from seven to nine members because Hu wanted to enhance collective leadership. In 2012 when Xi came to power, the Politburo Standing Committee was reduced back to seven members and internal security as a policy sector was dropped altogether (Miller 2015: 66–68). In 2018 China rearranged its ministries and diminished the total amount of ministerial-level bodies by eight and vice ministerial-level by seven (Xinhua 2018). As the most telling example of increased personalism, the National People's Congress abolished term limits for the president in March 2018, which indicates that Xi might be planning to stay in power after 2022 (Shirk 2018: 32).

In addition to ensuring support in the party and state organizations, securing the loyalty of the military is one of the most important tasks of Chinese leaders. If the military gets

too powerful, it will get political leverage which can be used against the leadership. The People's Liberation Army (PLA) is overviewed by the CMC, which is chaired by the general secretary of the CCP, and there are also other mechanisms to secure power balance. PLA has, for example, political commissars and party committees, which should play a role in all key decisions (Saunders & Wutnow 2016). Since 1992, there has been a limitation of maximum two PLA representatives in the Politburo, to make sure that the general secretary is not using the PLA members as his power base (Miller 2015: 73). In the more influential Politburo Standing Committee, there has been no PLA officer since 1997 (Li 2015: 120). In addition to these administrative forms of party control, Xi has promoted his followers to top positions and frequency of post rotation in the PLA has intensified during the Xi era, arguably to prevent plots (Kou 2017: 878–879). As PLA officers do not have job security, and their evaluation process is perceived as somewhat unfair and being based on personal likes and dislikes (Ledberg 2018), they are vulnerable to intensified political control.

Xi started the biggest military reforms since 1949 in 2015. PLA reform had multiple motivations including military modernization and ensuring more functional chains of command. Yet the personalistic power concentration aspect of the reforms is clear. The tangible changes include reduction of the number of military districts from seven to five, reforms of the military command structure, strengthening Xi's role within the CMC by emphasizing the so-called chairman responsibility system (军委主席负责制) which highlights final say of the chairman and slimming down the CMC from eleven to seven members in 2017 (Mulvenon 2016, 2018; Kou 2017: 866–867). Finally, a prominent feature during the Xi era has been the promotion of his public image as a strong military leader. This trend has been visible in the great number of visits he has made to garrisons (Kou 2017: 873).

Xi has also been active in institutional innovation. He started his term by creating new political bodies, such as the National Security Commission (NSC, 中央国家安全委员会) in January 2014. Xi's aim in establishing the NSC, which supervises both foreign and domestic security issues, was to concentrate power in his own hands and to improve policy coordination (Lampton 2015). You (2016: 183) sees Xi's establishment of NSC during his first year at office as a clear sign of Xi's strong power position. While the need to improve coordination and establishing NSC had been talked about for decades, Hu did not even try such a move and Jiang failed to do it during his years in office. Xi also leads several other new central committee or central commission level decision-making bodies that have been upgraded from the leading small groups existing before 2017 (Wu 2018).

In China, it is common for leaders to start anticorruption measures in the beginning of the term. Anticorruption measures are useful for authoritarian leaders to remove opponents from powerful positions. When anticorruption gets politicized, it is more common to target the opponent's support network, usually mid- to low-level officials, rather than the main competitor himself (Zhu and Zhang 2017: 1190). The armed forces have usually been left out of such maneuvers, with a few notable exceptions. In the beginning of Jiang's term, his power in the PLA was constrained by the so-called 'Yang family clan'. In 1992, Jiang managed to purge the Yang brothers Yang Baibing and Yang Shankun from their military positions with the help of Deng Xiaoping. Moreover, Jiang reshuffled more than 300 senior officers and 1000 regional commanders throughout the country to establish his authority (Gilley 1998: 196).

Yet, Xi took anticorruption measures to a whole new level when compared with his predecessors (Chen 2020: 143). Xi launched the anticorruption campaign in late 2012. Not only did the campaign target exceptionally numerous high-level officials or 'tigers', it also reformed the institutional structures of anticorruption work. In 2014 Xi broke

the unwritten rule of not going after former Politburo Standing Committee members by purging Zhou Yongkang, former standing committee member, who was sentenced to life imprisonment for corruption. (Liu 2019: 51–55). In late 2017, the CCP Central Discipline Inspection Commission, headed by Xi's close ally Wang Qishan, had punished almost 1.4 million party members including 17 Central Committee members and two sitting Politburo members (Shirk 2018: 24). The width and breadth of the campaign in the PLA was also unprecedented. The two former vice chairmen of the CMC, Xu Caihou and Guo Boxiong, were both ousted. In the early 2015, Chinese leadership announced investigations of 30 senior military officials on serious corruption charges. While the main objective of the campaign was evidently to remove any officers who were close to Xu and Guo, there has been some moderation as no princeling was targeted. Also, the majority of highest-ranking officers accused had retired whereas those faced with corruption charges while in active service have been mostly at the deputy army level (Chen 2020: 150–151; Kou 2017: 876–878).

Finally, the party established the National Supervision Commission in 2018 as part of a wider reform of the anticorruption system. In these reforms the party aimed for a single anticorruption agency system instead of a dual-track system, in which discipline inspection subbranches at provincial, municipal, county, and township levels were under dual leadership of the local party branches and their higher-level anticorruption organs. While the legal side of anticorruption work was also reformed, the key *de facto* outcome of the reforms is that central CCP's control was consolidated and local party leadership's role diminished (Chen 2020; Deng 2018). National Supervision Commission can also stretch the anticorruption measures to state employees, meaning that the politicized anticorruption campaign does not concern only party members (Shirk 2018: 24).

Administrative centralization

While personalism is certainly a key aspect of power concentration in authoritarian regimes, it is not the only one. There is also variation regarding power-sharing between regional administration and the central government. Hess (2013: 36–37) argues that 'modern authoritarian cases might be disaggregated into centralized and decentralized types'. Hess (2017: 21) defines decentralization as the transfer of state authority and resources from national governments to the subnational level. For a numeric measurement for decentralization, it is possible to use the International Monetary Fund's cross-national Fiscal Decentralization Dataset from which one can track the percentage of revenues controlled by subnational governments (IMF 2019).

Authoritarian regimes are generally reluctant to decentralize. However, there are a few notable exceptions such as China and Kazakhstan. The logic behind decentralization is that by granting local officials greater authority within their jurisdiction, the centre avoids blame for local authorities' official misdeeds and their use of repression. Relative to their more centralized counterparts, decentralized regimes often exhibit higher levels of durability in the face of popular challenges (Hess 2013: 37; Landry 2008: 9–10). It is part of CCP's deliberate strategy to blame local governments for general problems and enjoy support at the top. According to public opinion surveys, support and trust in the leadership is indeed polarized: Chinese tend to support the central government more than local leadership (Dickson et al. 2017: 131–134). History of cultural revolution era intensified fear of chaos in Chinese society adding credibility to the CCP's claim that one-party rule is most appropriate to maintain stability (*ibid.* 124).

China has decentralized a great deal in the past decades, as thanks to fiscal decentralization, subnational expenditures jumped from 45% in 1981 to 85% in 2013. This is exceptional among nondemocracies where government expenditures at the subnational level tend to be below 18% (Hess 2017: 21–22; Landry 2008: 6). Yet, centralization and decentralization go in tides. Decentralization has had clear advantages as it contributed to economic performance since the early 1980s (Hess 2013: 33). In the late 1980s and early 1990s China's fiscal reforms led to institutional development labelled local state corporatism which merged state and economy (Oi 1992). The Hu-Wen administration launched a rural development program, 'Building a New Socialist Countryside', abolished agricultural tax in 2006, and applied fiscal transfers from wealthier provinces to the less developed areas (Ahlers et al. 2015). During Xi's regime from 2012 onwards China has recentralized its administration and the anticorruption campaign has constrained local level initiative (Hess 2017: 28). The centralization tendency has also been strengthened by provincial debt crisis, to which central authorities have responded by initiating reforms which considerably limit financial resources available for local governments (Naughton 2015). Despite changing levels of decentralization, Ahlers et al. (2015) emphasize that including the local level in the analyses of Chinese authoritarian resilience remains essential.

State control over economic assets

In many authoritarian regimes, it is not enough for the leaders to control the security apparatus. Often economic elites need to be controlled as well. Authoritarian leaderships have to balance between supporting economic growth in their country and avoiding opposition forces, which can form around powerful economic actors. The relationship economic factors have with authoritarian resilience depends on regime type, as in resource-rich autocracies it is possible to buy off citizens with generous welfare benefits and low taxation. Some resource-poor party-based regimes such as North Korea rely essentially on other countries' assistance in providing sustenance (Smith 2015: 294–311) and can use harsh coercion to suppress any emerging opposition. Large party-based regimes such as China do not have the option of expecting economic assistance from others, which is why economic growth has been and continues to be important in building regime legitimacy.

The Chinese economic model has enabled decades-long economic growth without regime change. While there is a lively debate on what the 'China model' is and whether it even exists (Zhao 2010), according to Breslin (2011: 1341) China model discourse provides backing for CCP's leadership, as the idea about Chinese exceptionalism 'explains why China does not have to follow anything – including any path that sees democratization as an inevitable consequence of economic liberalization'.

When China started its reform and opening up period in 1978, new policies were adopted gradually and first in special economic zones. Gallagher (2002) argues that maintaining political control over timing and sequencing of liberalization of foreign direct investments is the key in understanding why economic growth has not led to regime change in China. From the 1990s until 2012, China's GDP growth averaged around 10% yearly, leading to rising prosperity especially in the Eastern provinces (World Bank). Although the middle class is seen as a key social agent for democratization, in China's case emergence of a middle class has not shaken CCP rule. There is ample public opinion research showing that the Chinese middle class demonstrates a remarkably high-level support for the regime (Chen & Dickson 2010; Dickson 2016). Dickson (2016) states that under Xi's leadership economic growth is no longer a reliable source of popular support and the party's survival strategy has become

more diversified. Family income predicts regime support better than GDP growth: if family income rises, the regime can maintain support despite declining GDP figures. Perhaps these dynamics have contributed to the current leadership's decision to continue poverty alleviation measures initiated during Hu's regime. Poverty alleviation through development was added on the government's working agenda in 2014 (Xinhua 2014).

China's development model has many features ensuring party control. Tsai and Naughton (2015: 18–19) list seven characteristics of Chinese state capitalism: direct central control of strategic sectors, state control over finance, market foundation, industrial policy, party control of personnel, regulatory fragmentation and layering, and a dualistic welfare regime. Of these, the first five are especially relevant in building an understanding of China's economic model which has enabled both authoritarian resilience and economic growth. Strategic sectors include telecommunications, electricity, petroleum, defense industries and finance (ibid.: 18). Pettis (2013) argues that a considerable share of China's GDP growth over the years has been accomplished by a consumption-repressive investment-driven model, which is not sustainable in the long run. In China's growth strategy, state control over finances has played a key role: interest rates have been kept low, wage growth remained moderate for a long time, and currency undervalued. These factors have forced the savings rate up, providing the state fuel for its lavish investment policy (Pettis 2013). The banking sector has been strictly regulated and the state owns the majority of shares in the five biggest commercial banks (Stent 2017: 10). This strategy has been changing slowly and the state has tried to increase the domestic consumption share of GDP.

While 'most of the economy runs on market principles' and foreign-invested companies play a big role in some sectors (Tsai & Naughton 2015: 18), the share of state-owned enterprises (SOEs) of China's GDP was estimated to be between 23% and 28% in 2017 (Zhang 2019: 10). Yet another matter is that the role of SOEs cannot be understood without taking into account the broader model of state capitalism. Milhaupt and Zheng (2015) argue that the distinction between SOEs and privately-owned enterprises (POEs) has been greatly exaggerated as functionally SOEs and POEs share many similarities. Both can dominate the market, receive state subsidies, have close connections with the CCP, and execute government's policy objectives.

In recent years, China's industrial policy has emphasized support of innovation in strategically important sectors in which certain companies will receive preferential treatment and state subsidies (Kenderdine 2017; Wübbeke et al. 2016). 'Innovation-driven development' has become a key priority in the Xi era, manifested for example in the Made in China 2025 plan (中国制造 2025), which was launched in 2015 (National Manufacturing Strategy Advisory Committee 2015). The plan highlighted ten priority sectors including robotics, information technology, aircraft, aerospace technology, and pharmaceuticals, in which China aims for global dominance by 2025 using a strategy combining import substitution and generous state financing. Xi's industrial policy has not been received well abroad, as can be seen in China's ongoing trade war with the United States and the suspicion many Western actors have about allowing Huawei to construct parts of their 5G networks (Rühlig 2020).

As a cross-sectional feature, the Chinese communist party can control all key nominations including company CEOs and university rectors through its nomenklatura system, making sure that only loyal people can get top positions (Brodsgaard 2012). There is a revolving door mechanism for cadres circulating them between party positions and state-owned business positions, both in order to enhance their experience and to restrain their personal power by making sure that nobody can stay too long in the same entity (Li 2020:

234). Furthermore, the party is integrated in business life as 53% of private and 91% of state-owned enterprises have CCP organizations (Zheng and Gore 2020: 1).

When it comes to power concentration in the economic realm, an information technology driven social credit system (SCS) is probably the most significant new addition to the communist toolkit in ensuring party control. By collecting data from different sources, social credit systems can monitor, assess, and change the behavior of both citizens and companies. At the time of writing, there were multiple coexisting SCSs for different purposes at different administrative levels rather than one coherent system. Individuals and companies have different systems. In addition, some systems concentrate on creating infrastructure for economic and financial activities whereas others are linked more with social governance. The People's Bank of China is in charge of creating a financial social credit system, whereas Beihang Credit is the only commercial company dealing with commercial credit rating services. In the social governance realm, there are both national and municipal blacklist/redlist systems for both individuals and companies (Liu 2019). Punishments for individuals include public webpages listing the names of blacklisted people, blocking their credit card use and access to high-speed trains and airplanes. Rewards include better interest rates for bank loans, discounts from energy bills and renting without deposits (Mistreanu 2018; Liu 2019). The corporate social credit system is more developed than the system designed for individuals, although the sanctioning mechanisms remains somewhat fragmented when it comes to cooperation between local and central level actors. Similarly to individuals, companies are rated and blacklisted entities can be found from the credit system's webpages. Companies that get poor ratings can get penalties and restrictions to market access. The system was supposed to be ready in 2020, but as there are problems of data-sharing between different parts of the system and sanctioning mechanisms remain underdeveloped, the deadline of 2020 does not seem plausible (European Chamber 2019).

Concluding remarks

This chapter has described fluctuating levels of autocratization in China using a framework concentrating on three dimensions of power concentration: personalization, administrative centralization, and state control over economic assets. It has demonstrated that during Xi's reign, there has been a clear tendency of power concentration in all of these three areas. The Chinese case is part of an international trend: Geddes et al. (2018) show, that as part of deepening autocratization, personalism in autocracies has increased significantly since the end of the Cold War. These trends should not be understated, as higher power concentration is associated with both increased war-proneness and domestic repression (Frantz et al. 2020; Weeks 2012).

The relationship between power concentration and regime resilience is not entirely clear as the Nathan–Fewsmith debate illustrates. While elite cohesion has explained authoritarian resilience in the past, it is possible that the factors associated with regime endurance will change their relative weight in the coming years as popular protests have become more significant a challenge to authoritarian regimes (Kendall-Taylor et al. 2020). Chinese government has taken social unrest issues seriously and invested a lot in digital forms of control such as CCTV cameras with automated facial recognition programmes. In Xinjiang, monitoring includes obligatory DNA sampling used for ethnic profiling (Xiao 2019). Xi's regime has built capacity to forecast large-scale popular protests and adapted its political indoctrination to the era of big data by using artificial intelligence (AI) in surveillance and censorship (Zeng 2016).

Furthermore, the COVID-19 pandemic presents both opportunities and challenges for the Chinese leadership. On the one hand, it provides a convenient reason for restricting mass gatherings, as seen in the decision to lengthen Hong Kong's lockdown in 2020 to prohibit June 4 commemoration activities (Tsang et al. 2020). On the other hand, the economic downturn following the epidemic hit the Chinese economy hard. During the two sessions in May 2020, the leadership decided not to set a GDP growth target for 2020 (Xinhua 2020). This is problematic not only for CCP's performance legitimacy, but the *annus horribilis* of 2020 will not give the CCP's 100-year anniversary in 2021 the kind of background the party hoped for. The pandemic has also paved the way for further mobile surveillance. Chinese citizens have started to become used to such measures thanks to the social credit system. Adding health data to the long list of data the authorities are collecting and using as a basis for limiting freedom of movement or other rights has not caused wide-ranging opposition in China. China's experiences of developing surveillance applications may provide Chinese companies opportunities to sell such applications abroad. However, data can also cause challenges to Chinese authoritarian regime, as it can be used in elite struggles with devastating effects on regime legitimacy (Zeng 2016).

While the power concentration measures applied in this chapter are useful, future research should keep an open mind about the possible ways political equilibrium in China might be formed in the coming years. Dynamism described here demonstrates how adaptive the party-state has been in the past, but nothing is set in stone. Multiple combinations of causes can result in a political equilibrium, and domestic and international conditions change creating a need for constant adaptation for the party-state. For example, crises of democracy in Western countries and the digital revolution influence the Chinese situation. It is likely that the tools used for maintaining an equilibrium will change and the relative weight given to different components in the combination can fluctuate as well. We need a lot of research in the future to understand what kind of conditions trigger changes in the different parameters of power concentration. However, it is already an advancement to be able to name some of the most important factors that vary in authoritarian governance.

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